

**ANNUAL REPORT  
OF THE  
DETROIT AND MACKINAC  
RAILWAY COMPANY**

FOR THE FISCAL YEAR ENDED DECEMBER 31st  
1947



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CHARLES ALLEN PINKERTON

1880 -:- 1947

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## In Memoriam

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CHARLES ALLEN PINKERTON

1880 -:- 1947

Charles Allen Pinkerton, late President of the Detroit and Mackinac Railway Company, died very suddenly on December 18, 1947, at his home in East Tawas, Michigan.

Practically all of Mr. Pinkerton's business life was spent in railroad service. He entered the employ of the Flint and Pere Marquette Railway in 1896 and in 1899 accepted a position in the Car Service Department of the Detroit and Mackinac Railway. He advanced in different official capacities during his continuous 48 years of service with that company, being elected President and Chairman of the Board of Directors on February 14, 1941.

Mr. Pinkerton was truly a gentleman, a kindly, fatherly person of gentle dignity, devoted to his family, his work, and the interests of his company. His position brought him in contact with many railroad officials over the country and in the respect and esteem of all who knew him, none stood higher. His fine character and inspiring personality will forever live in the memory of his friends and associates.

Mr. Pinkerton was affiliated all of his life with Christ Episcopal Church and his fraternal connections included all Masonic bodies. In his passing his company has lost a faithful and highly trusted executive; his associates, a true and genial friend; his family, a devoted father; and his community, a dutiful citizen.

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# DETROIT AND MACKINAC RAILWAY COMPANY

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## DIRECTORS AND OFFICERS

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### BOARD OF DIRECTORS

CHARLES A. PINKERTON, JR.	.....	East Tawas, Mich.
WALTER F. KEERS	.....	Brooklyn, N. Y.
STANLEY E. LAWFER	.....	Allentown, Pa.
A. W. RALSTON	.....	Bloomfield, N. J.
R. W. PIEPKORN	.....	Alpena, Mich.

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### OFFICERS

CHARLES A. PINKERTON, JR., President and General Manager	.....	Tawas City, Michigan
A. J. SEVENER, Auditor	.....	Tawas City, Michigan
N. W. SALSBERY, Secretary and Treasurer	.....	Tawas City, Michigan
R. W. HICKEY, Assistant to General Manager	.....	Tawas City, Michigan
W. T. YAKE, General Freight Agent	.....	Tawas City, Michigan
CARL R. HENRY, General Counsel	.....	Alpena, Michigan

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### FISCAL AND TRANSFER AGENTS

J. P. Morgan & Company	.....	New York, N. Y.
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### REGISTRAR OF STOCK

Central Hanover Bank and Trust Company	.....	New York, N. Y.
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### ANNUAL MEETING

The last Tuesday in April is the date of Annual Meeting of Stockholders.

General Office	.....	Tawas City, Michigan
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JOE C. TREPANIER  
CERTIFIED PUBLIC ACCOUNTANT  
LAFAYETTE BUILDING  
DETROIT

26

February 12, 1948

Detroit and Mackinac Railway Company,  
Tawas City, Michigan

Gentlemen:

We have examined the Balance Sheet of the Detroit and Mackinac Railway Company as at December 31, 1947 and the related statements of Income and Surplus for the year then ended; have reviewed the system of internal control and the accounting procedures of the company, and have examined or tested accounting records of the company and other supporting evidence by methods and to the extent we deemed appropriate.

In our opinion, the accompanying Balance Sheet and related statements of Income and Surplus present fairly the financial position of the Detroit and Mackinac Railway Company at December 31, 1947, and the results of its operations for the year then ended, in conformity with principles of accounting prescribed by the Interstate Commerce Commission.

Very truly yours,  
JOE C. TREPANIER  
Certified Public Accountant

# DETROIT AND MACKINAC RAILWAY COMPANY

Tawas City, Michigan  
March 1, 1948

## TO THE STOCKHOLDERS:

The year 1947 was a period of continuation of your company's extensive modernization program.

Delivery was made early in the year of 200 all-steel box cars and 25 all-steel gondola cars costing \$868,906, purchased on conditional sale contracts.

The following additional items of equipment needed to cover the increased transportation requirements have been acquired on a cash basis:

	Total Cost
35 Second-hand Steel Hopper Cars .....	\$49,188
4 U. S. Troop Sleepers (to be converted) .....	12,157
1 Set Diesel Locomotive Trucks .....	17,139

Equipment retirements during the year consisted of 22 freight cars, 2 passenger cars, 8 work cars and 9 steam locomotives. The 4 remaining steam locomotives were retired in January, 1948.

Fixed property improvements during the year consisted mainly of the following:

Installation of new Diesel repair and service facilities at the Tawas shops, including modern pits, improved lighting and a forced-air heating system.

Installation of additional fuel oil storage facilities at North Bay City, Tawas and Alpena.

Replacement of 6.6 miles of 50 lb. with 80 lb. rail on the Au-Gres Branch, and 2.4 miles of 70 lb. with 80 lb. rail north of Cathro on the North Division.

Replacement of angle bars on 33 miles of 85 lb. track between Lincoln Junction and Bay City.

Operating revenues have again shown a substantial gain as indicated in the following simplified income statement.

	Year 1947	Year 1946	Increase - I Decrease - D
<b>INCOME:</b>			
Freight .....	\$1,647,403.80	\$1,295,587.72	\$351,816.08 I
Passenger .....	21,164.85	38,440.85	17,276.00 D
<b>Other Transportation</b>			
Revenues .....	140,692.81	81,944.15	58,748.66 I
Other Income .....	13,229.68	8,291.54	4,938.14 I
Total .....	\$1,822,491.14	\$1,424,264.26	\$398,226.88 I
<b>OUTGO:</b>			
Wages .....	\$ 704,202.10	\$ 665,636.87	\$ 38,565.23 I
Fuel .....	36,006.84	96,159.31	60,152.47 D
Material and Supplies .....	143,680.24	133,349.84	10,330.40 I
Railway Tax Accruals, other than Federal Income Tax .....	97,615.74	58,688.44	38,927.30 I
Rental of Equipment, debit balance .....	68,973.78	114,555.21	45,581.43 D
Interest on Debt, funded and unfunded .....	109,435.24	89,759.45	19,675.79 I
Depreciation Charges .....	139,949.19	62,009.13	77,940.06 I
Other Operating and Non- Operating Expenses .....	114,109.04	81,295.55	32,813.49 I
Total .....	\$1,413,972.17	\$1,301,453.80	\$112,518.37 I
Net Income before Federal Income Tax .....	\$ 408,518.97	\$ 122,810.46	\$285,708.51 I
Federal Income Tax - Accrual .....	139,776.34	24,843.52	114,932.82 I
Net Income .....	\$ 268,742.63	\$ 97,966.94	\$170,775.69 I

Your dollars of income for 1947 were earned and spent as follows:

EARNINGS	Cents	DISPOSITION	Cents
Products of Agriculture .....	5	Wages .....	39
Animals and Products .....	1	Materials and Fuel .....	10
Products of Mines .....	26	Taxes .....	13
Products of Forests .....	5	Net Equipment Rents .....	4
Products of Manufacturers .....	53	Depreciation .....	7
Handling of Passengers .....	1	Other Expenses .....	6
Other Transportation Revenue	8	Interest .....	6
Other Service .....	1	Net Income .....	15
<b>Total .....</b>	<b>100</b>	<b>Total .....</b>	<b>100</b>

A simplified balance sheet of your company as of December 31, 1947 is as follows:

<b>ASSETS:</b>	
Roadway Property and Equipment, less depreciation	\$7,416,401.12
Miscellaneous Property .....	41,216.79
Cash .....	547,755.27
Government Securities .....	75,000.00
Material and Supplies .....	151,878.54
Other Assets .....	188,659.14
<b>Total .....</b>	<b>\$8,420,910.86</b>
<b>LIABILITIES:</b>	
Equipment Obligations .....	\$1,235,681.82
Accounts and Wages Payable .....	328,245.22
Accrued Taxes .....	179,110.58
Other Liabilities .....	81,363.86
Bonded Indebtedness .....	1,909,000.00
	<b>\$3,733,401.48</b>
<b>CAPITAL STOCK AND SURPLUS:</b>	
Capital Stock .....	\$2,950,000.00
Surplus .....	1,737,509.38
<b>Total .....</b>	<b>\$8,420,910.86</b>

During the past seven years your company was under the direction of Mr. C. A. Pinkerton, who was elected president February 14, 1941 and continued in that capacity until his death on December 18, 1947. He spent many years in the transportation field and witnessed the progress of railroading from wood burner locomotives through to the modern Diesel engines.

Your Directors acknowledge with pride and sincere appreciation the efforts of every member of your company's organization. It will be the continued aim of your Management to better serve the communities through which we operate, and to conduct its business with ever improving efficiency and to the best interest of its stockholders.

By order of the Board of Directors.

CHARLES A. PINKERTON, JR.  
President and General Manager

## DETROIT AND MACKINAC RAILWAY COMPANY

Tawas City, Mich., Feb. 25, 1948

MR. C. A. PINKERTON, JR., PRESIDENT,  
DETROIT AND MACKINAC RY. CO.  
TAWAS CITY, MICH.

Dear Sir:

I herewith submit statements of the General Accounts and tables showing the result of operations of the Detroit and Mackinac Railway Company for the fiscal year ended December 31, 1947, as follows:

TABLE A—Condensed General Balance Sheet.

TABLE B—Income Account.

TABLE C—Particulars of Bonded Debt.

TABLE D—Comparative Financial Statement.

TABLE E—Revenues and Expenses by Years.

TABLE E-1—Net Revenue from Railway Operations and Tax Accruals by Years.

TABLE F—Details of Operating Expenses.

TABLE G—Mileage.

TABLE H—Classifications of Freight Tonnage, 1946 and 1947.

TABLE I—Statistics for Years 1946 and 1947.

TABLE J—Equipment.

TABLE K—Yard Tracks, Sidings and Spurs built and taken up during year.

Respectively,

A. J. SEVENER,  
Auditor

TABLE A

## DETROIT AND MACKINAC RAILWAY COMPANY

CONDENSED GENERAL BALANCE SHEET AS OF DECEMBER 31, 1947, AND COMPARISON WITH  
DECEMBER 31, 1946.

ASSETS		Increase	Decrease
<i>Investments:</i>			
Investment in Road and Equipment .....	\$8,000,828.32		
Less Accrued Depreciation .....	577,615.44		
	<hr/>		
Net Investment .....	7,423,212.88		
Less Donations and Grants .....	6,811.76		
Miscellaneous Physical Property .....	41,216.79		
	<hr/>		
Total Investment Less Depreciation .....	\$7,457,617.91		
<i>Current Assets:</i>			
Cash .....	547,755.27	22,339.29	
Temporary Cash Investments .....	75,000.00	15,000.00	
Special Deposits .....	18,840.00		5,480.00
	<hr/>		
Net Balances Receivable from Agents and Conductors .....	55,688.97		
Miscellaneous Accounts Receivable .....	54,753.76	22,995.83	
Material and Supplies .....	151,878.54	18,706.98	
Accrued Accounts Receivable .....	52,814.05	41,476.08	
Other Current Assets .....	147.57	141.06	
	<hr/>		
		956,878.16	95,429.91
<i>Deferred Assets:</i>			
Working Fund Advances .....		591.54	
<i>Unadjusted Debts:</i>			
Prepayments .....	6,690.61		308.15
Other Unadjusted Debts .....	867.36 Cr.		20,768.54
	<hr/>		
		5,823.25	21,076.69
		<hr/>	
			\$8,420,910.86
			925,347.86

TABLE A—(Continued)  
LIABILITIES

		Decrease
<i>Capital Stock:</i>		
Common Stock .....	\$2,000,000.00	
Preferred Stock .....	950,000.00	
		\$2,950,000.00
<i>Long Term Debt:</i>		
First Lien Bonds .....	1,153,000.00	
Mortgage Bonds .....	756,000.00	
Equipment Obligations .....	1,235,681.82	
		3,755,980.14
<i>Current Liabilities:</i>		
Traffic and Car Service Balances Payable .....	173,206.69	
Audited Accounts and Wages Payable .....	123,897.66	
Miscellaneous Accounts Payable .....	30,408.62	
Interest Matured Unpaid .....	19,400.00	
Unmatured Interest Accrued .....	6,363.33	
Accrued Accounts Payable .....	732.25	
Other Current Liabilities .....	50,925.88	
Taxes Accrued .....	39,334.24	
Federal Income Tax Payable .....	139,776.34	
		584,045.01
<i>Deferred Liabilities:</i>		
<i>Unadjusted Credits:</i>		
<i>Corporate Surplus:</i>		
Earned Surplus-Appropriated .....	1,850,448.40	
Earned Surplus-Debit Balance .....	112,939.02	
		1,737,509.38
		\$8,420,910.86
		988.00
		14.46

TABLE B  
DETROIT AND MACKINAC RAILWAY COMPANY

INCOME ACCOUNT FOR YEAR ENDING DECEMBER 31, 1947  
COMPARED WITH YEAR ENDING DECEMBER 31, 1946

**OPERATING REVENUES:**

	1947	Increase	Decrease
Freight .....	\$1,647,403.80	\$351,816.08	
Passenger .....	21,164.85		\$17,276.00
Baggage .....	81.28		.58
Mail .....	25,600.00		10,871.14
Express .....	18,530.15	12,651.39	
Other Passenger Train .....	1,070.19	348.89	
Milk .....	8,179.49	1,410.25	
Switching .....	46,341.47	31,069.14	
Station Privileges .....	9.79		86.47
Parcel Room .....	1.00		
Storage — Freight .....	1,094.66	730.64	
Demurrage .....	25,490.95	17,951.85	
Telegraph and Telephone .....	32.77		13.04
Rents of Buildings and Other Property .....	5,795.51	134.72	
Miscellaneous .....	8,458.60	5,417.58	
Joint Facility Cr. .....	6.95	5.44	
 Total Operating Revenues .....	 \$1,809,261.46	 \$393,288.74	

**OPERATING EXPENSES:**

Maintenance of Way and Structures	\$ 399,152.55	\$120,626.70
Maintenance of Equipment .....	214,205.34	5,256.48
Traffic .....	16,101.79	6,086.19
Transportation .....	414,357.71	
General .....	88,998.97	16,204.08
 Total Operating Expenses .....	 \$1,132,816.36	 \$ 97,745.76
 Net Operating Revenue .....	 \$ 676,445.10	 \$295,542.98
Railway Tax Accruals .....	237,392.08	153,009.78
 Railway Operating Income .....	 \$ 439,053.02	 \$142,533.20

**Income from Lease of**

Road and Equipment .....	1,961.47	34.83
Miscellaneous Rent Income .....	4,873.33	178.96
Miscellaneous Physical Property .....	1,512.21	923.02
Income from Unfunded Securities and Accounts .....	2,120.50	1,768.07
Miscellaneous Income .....	190.00	5.00
Equipment Rents Dr. .....	68,973.78	45,581.43
Joint Facility Rents .....	2,572.17	2,097.92

Total Income .....	\$ 383,308.92	\$193,052.77
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Miscellaneous Rents .....	\$ 72.00	\$ 72.00
Miscellaneous Tax Accruals .....	881.42	
Interest on Funded Debt .....	109,423.52	19,665.28
Interest on Unfunded Debt .....	11.71	10.51
Miscellaneous Income Charges .....	1,555.63	
Delayed Income Debits .....	2,622.00	2,622.00

Net Income .....	\$ 268,742.63	\$170,775.69
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TABLE B—(Continued)

**DETROIT AND MACKINAC RAILWAY COMPANY**

**PROFIT AND LOSS ACCOUNT**

Debit Balance, January 1, 1947 .....	\$494,159.90	
Credit Balance Transferred from Income .....		\$268,742.63
Miscellaneous Credits .....		113,070.11
Miscellaneous Debits .....	591.86	
Debit Balance Carried to Balance Sheet .....		591.86
		112,939.02
		\$494,751.76
		\$494,751.76

TABLE C

**PARTICULARS OF BONDED DEBT**

Class of Bonds	Amount Outstanding 12/31/47	INTEREST		Interest Accrued During Year	Principal Due
		Rate	When Payable		
First Lien	\$1,153,000.00	4 %	June and December	\$46,360.00	June 1, 1995
Mort.	756,000.00	4 %	June and December	33,783.00	June 1, 1995
	\$1,909,000.00			\$80,143.00	

TABLE D

**DETROIT AND MACKINAC RAILWAY COMPANY**

**COMPARATIVE FINANCIAL STATEMENT**

CURRENT ASSETS	Dec. 31, 1945	Dec. 31, 1946	Dec. 31, 1947
Cash .....	\$ 219,965.81	\$ 525,415.98	\$ 547,755.27
Special Funds .....	74,820.00	84,320.00	93,840.00
Due from Station Agents and Others .....	92,368.25	107,196.23	110,442.73
Material and Supplies .....	216,670.45	133,171.56	151,878.54
Prepaid and Deferred Charges .....	29,176.81	18,934.78	53,553.16
Other Unadjusted Debits .....	1,110.53	19,901.18	5,823.25
 Totals .....	 \$ 634,111.85	 \$ 888,939.73	 \$ 963,292.95
 <b>LESS CURRENT LIABILITIES</b>			
Audited Vouchers and Pay Rolls .....	\$ 70,014.93	\$ 138,084.43	\$ 123,897.66
Accrued Taxes, Interest and Traffic Balances .....	173,599.52	282,473.08	464,821.15
 Totals .....	 \$ 243,614.45	 \$ 420,557.51	 \$ 588,718.81
Net Current Assets .....	\$ 390,497.40	\$ 468,382.22	\$ 374,574.14
 <b>CAPITAL ASSETS</b>			
Cost of Road .....	\$5,892,235.16	\$5,871,637.23	\$5,817,876.62
Cost of Equipment .....	1,056,098.13	1,450,461.76	2,182,951.70
Miscellaneous Physical Property .....	32,085.53	32,000.53	41,216.79
Investments in Affiliated Companies .....	1,267.26		
Other Investments .....	1,344.92		
 Totals .....	 \$6,983,031.00	 \$7,354,099.52	 \$8,042,045.11
 <b>REPRESENTING</b>			
Bonds Issued—First Lien .....	\$1,159,000.00	\$1,159,000.00	\$1,153,000.00
Bonds Issued—Mortgage .....	1,022,000.00	1,022,000.00	756,000.00
Stock Issued—Common .....	2,000,000.00	2,000,000.00	2,000,000.00
Stock Issued—Preferred .....	950,000.00	950,000.00	950,000.00
Equipment Obligations .....		587,701.68	1,235,681.82
Reserves .....	950,009.24	740,664.49	577,615.44
Grants in Aid of Construction .....	6,811.76	6,811.76	6,811.76
Other Unadjusted Credits .....	27,928.79	15.31	.85
Appropriated Surplus .....	1,850,448.40	1,850,448.40	1,850,448.40
Earned Surplus .....	* 592,669.79	* 494,159.90	* 112,939.02
 Totals .....	 \$7,373,528.40	 \$7,822,481.74	 \$8,416,619.25
 *Deficit			

TABLE E

## DETROIT AND MACKINAC RAILWAY COMPANY

## REVENUES AND EXPENSES BY YEARS

REVENUES	1943	Per	1944	Per	1945	Per	1946	Per	1947	Per
	Amount	Cent	Amount	Cent	Amount	Cent	Amount	Cent	Amount	Cent
Freight .....	\$716,129.35	73.39	\$ 786,312.68	77.38	\$ 833,680.38	80.19	\$ 1,295,587.72	91.50	\$ 1,647,403.80	91.0
Passenger .....	151,294.97	15.51	138,745.11	13.65	110,827.93	10.68	38,440.85	2.72	21,164.85	1.2
Mail .....	42,085.43	4.32	40,594.61	4.00	41,202.98	3.94	36,471.14	2.58	25,600.00	1.4
Express .....	23,095.24	2.37	23,861.03	2.35	20,295.71	1.92	5,878.76	.41	18,530.15	1.0
Milk .....	7,994.71	.82	8,338.45	.81	7,667.22	.77	6,769.24	.47	8,179.49	.5
Other Sources .....	35,112.11	3.59	18,352.73	1.81	25,980.70	2.50	32,825.01	2.32	88,383.17	4.9
Total .....	<u>\$975,711.81</u>	100%	<u>\$1,016,204.61</u>	100%	<u>\$1,039,654.92</u>	100%	<u>\$1,415,972.72</u>	100%	<u>\$1,809,261.46</u>	100%

## EXPENSES

Maintenance of Way and Structures .....	\$326,038.15	34.96	\$ 218,350.27	25.12	\$ 217,438.29	25.38	\$ 278,525.85	26.92	\$ 399,152.55	35.3
Maintenance of Equipment .....	199,064.18	21.34	210,797.22	24.25	189,786.19	22.23	208,948.86	20.19	214,205.34	19.0
Traffic .....	10,194.74	1.10	9,876.79	1.14	9,003.57	1.05	10,015.60	.96	16,101.79	1.4
Transportation .....	352,043.61	37.74	383,181.26	44.08	392,072.63	45.85	464,785.40	44.91	414,357.71	36.6
General .....	45,309.14	4.86	47,088.16	5.41	47,094.78	5.49	72,794.89	7.02	88,998.97	7.7
Total .....	<u>\$932,649.82</u>	100%	<u>\$ 869,293.70</u>	100%	<u>\$ 855,395.46</u>	100%	<u>\$1,035,070.60</u>	100%	<u>\$1,132,816.36</u>	100%
Net Operating Income .....	\$ 43,061.99	4.42	\$ 146,910.91	14.45	\$ 184,259.46	17.69	\$ 380,902.12	26.90	\$ 676,445.10	37.4
Taxes .....	80,802.63	8.28	51,865.66	5.10	52,580.63	5.00	84,382.30	5.95	237,392.08	13.1
Net Operating Income Less Taxes *\$ 37,740.64	*3.86	\$ 95,045.25	9.35	\$ 131,678.83	12.69	\$ 296,519.82	20.94	\$ 439,053.02	24.3	
*Deficit										

TABLE E-1

## DETROIT AND MACKINAC RAILWAY COMPANY

## RAILWAY OPERATING REVENUES, EXPENSES AND TAX ACCRUALS BY YEARS

Year	Revenues	Expenses	Net Operating Revenue	Railway Tax Accruals	Net Operating Revenue Less Tax Accruals
1934	\$ 632,904.36	\$ 514,332.73	\$118,571.63	\$ 1,733.27	\$116,838.36
1935	654,505.91	548,623.57	105,882.34	15,247.76	90,634.58
1936	803,484.39	605,305.79	198,178.60	21,118.51	177,060.09
1937	885,445.46	694,643.86	190,801.60	35,134.67	155,666.93
1938	877,856.23	630,599.65	247,256.58	34,889.55	212,367.03
1939	876,809.06	643,663.46	233,145.60	43,708.16	189,437.44
1940	849,680.71	623,629.04	226,051.67	41,753.93	184,297.74
1941	845,559.26	643,292.35	202,266.91	41,775.56	160,491.35
1942	1,189,479.04	728,314.96	461,164.08	53,262.32	407,901.76
1943	975,711.81	932,649.82	43,061.99	80,802.63	†37,740.64
1944	1,016,204.61	869,293.70	146,910.91	51,865.66	95,045.25
1945	1,039,654.92	855,395.46	184,259.46	52,580.63	131,678.83
1946	1,415,972.72	1,035,070.60	380,902.12	84,382.30	296,519.82
1947	1,809,261.46	1,132,816.36	676,445.10	237,392.08	439,053.02

†Deficit

TABLE F

## DETROIT AND MACKINAC RAILWAY COMPANY

## OPERATING EXPENSES

1947 COMPARED WITH 1946

## MAINTENANCE OF WAY AND STRUCTURES

	Amount	Increase	Decrease
Superintendence .....	\$ 27,717.20	\$ 6,058.64	
Roadway Maintenance .....	22,210.04	11,110.58	
Bridges, trestles, and culverts .....	1,796.19		\$1,195.53
Ties, .....	70,764.91	35,656.29	
Rails .....	15,010.31	3,457.39	
Other Track Material .....	31,002.04	16,791.57	
Ballast .....	1,546.05	1,012.24	
Track Laying and Surfacing .....	113,340.45	16,583.74	
Fences, Snowsheds, and Signs .....	11,293.53	7,275.73	
Station and Office Buildings .....	3,354.70	105.09	
Roadway Buildings .....	163.34		64.45
Water Stations .....	149.43	Cr.	1,580.49
Fuel Stations .....	376.02		421.11
Shops and Enginehouses .....	17,228.25	13,689.42	
Telegraph and Telephone Lines .....	7,061.90	1.13	
Signals and Interlockers .....	524.16	302.73	
Road Property—Depreciation .....	34,207.94	2,159.36	
Retirements—Road .....	9,536.56	3,401.62	
Roadway Machines .....	5,542.31	395.18	
Dismantling Retired Road Property .....	1,178.88	291.20	
Small Tools and Supplies .....	4,773.19	715.33	
Removing Snow, Ice and Sand .....	17,282.78	6,141.72	
Public Improvements, Maintenance .....	1,862.59	720.55	
Injuries to Persons .....	714.95	178.16	
Insurance .....	901.58	169.23	
Stationery and Printing .....	142.04		217.69
Other Expenses .....	33.38		1,450.10
Maintaining Joint Tracks, Yards and Other Facilities—Dr. ....	968.22	118.28	
Maintaining Joint Tracks, Yards and Other Facilities—Cr. ....	1,231.53	Cr.	779.11
Total .....	\$399,152.55	\$120,626.70	

TABLE F—(Continued)

## MAINTENANCE OF EQUIPMENT

	Amount	Increase	Decrease
Superintendence .....	\$ 29,378.34	\$ 4,887.37	
Shop Machinery .....	1,994.86		\$ 170.92
Power Plant Machinery .....	103.51		739.26
Power Plant Machinery—Depreciation ....	3,670.00	82.12	
Dismant. Shop and Power Plant Mach'y ....	352.04	352.04	
Steam Locomotives—Repairs .....	1,086.79		42,746.69
Other Locomotives—Repairs .....	23,638.27	20,673.38	
Freight-train Cars—Repairs .....	32,451.19	5,513.72	
Passenger-train Cars—Repairs .....	13,711.35		12,394.18
Work Equipment—Repairs .....	4,848.87	2,015.82	
Miscellaneous Equipment—Repairs .....	730.29		577.63
Equipment—Retirements .....	1,014.18		837.53
Equipment—Depreciation .....	102,071.25	75,698.58	
Injuries to Persons .....	591.50		104.04
Insurance .....	2,133.37	1,497.81	
Stationery and Printing .....	129.82		242.74
Other Expenses .....	3,180.40	Cr.	47,327.78
Maintaining Joint Equipment—Dr. ....	569.59	345.67	
Maintaining Joint Equipment—Cr. ....	1,089.48	Cr.	669.26
<hr/>			
Total .....	\$214,205.34	\$ 5,256.48	

## TRAFFIC

Superintendence .....	\$ 11,064.44	\$ 5,712.09	
Advertising .....	1,590.50	462.60	
Traffic Associations .....	771.69		210.34
Insurance .....	209.38	172.18	
Stationery and Printing .....	2,465.78		50.34
<hr/>			
Total .....	\$ 16,101.79	\$ 6,086.19	

## TRANSPORTATION—RAIL LINE

Superintendence .....	\$ 33,377.26	\$ 6,877.63	
Dispatching Trains .....	5,524.93		\$ 240.90
Station Employees .....	89,463.26	10,618.38	
Wei'g Inspc'n and Demurrage Bureaus ....	813.20	41.48	
Station Supplies and Expenses .....	4,401.11	505.74	
Yardmaster and Yard Clerks .....	6,789.84		562.74
Yard Conductors and Brakemen .....	20,545.00		396.69
Yard Motormen .....	14,653.46	11,508.34	
Yard Enginemen .....	517.34		10,763.71
Yard Switching Fuel .....	5,840.65		6,619.77
Water for Yard Locomotives .....	73.40		709.22
Lubricants for Yard Locomotives .....	629.17	206.38	
Other Supplies for Yard Locomotives .....	290.00		20.05
Enginehouse Expenses—Yard .....	7,135.16		282.81
Yard Supplies and Expenses .....	714.45		71.63

TABLE F—(Continued)

	Amount	Increase	Decrease
Train Enginemen .....	\$ 973.80		\$ 43,580.48
Train Motormen .....	50,535.66	41,996.73	
Train Fuel .....	30,166.19		53,532.70
Water for Train Locomotives .....	841.88	Cr.	3,612.81
Lubricants for Train Locomotives .....	3,083.83	149.44	
Other Supplies for Train Locomotives .....	1,688.30	171.06	
Enginehouse Expenses—Train .....	26,687.17		11,740.29
Trainmen .....	64,183.85		539.53
Train Supplies and Expenses .....	13,892.50	1,249.50	
Operating Sleeping Cars .....			32.12
Signal and Interlocking Operation .....	501.21	280.46	
Drawbridge Operation .....	6,733.95	346.03	
Telegraph and Telephone Operation .....	3,359.06		819.50
Stationery and Printing .....	3,999.25	817.66	
Other Expenses .....	4,345.08	103.89	
Insurance .....	3,458.80	3,115.04	
Clearing Wrecks .....	987.96	416.33	
Damage to Property .....	586.66	359.11	
Damage to Live Stock on Right of Way .....	105.14		425.22
Loss and Damage—Freight .....	12,473.50	6,791.60	
Loss and Damage—Baggage .....	36.00	36.00	
Injuries to Persons .....	1,016.25		7.56
Opera'g Joint Yards and Terminals—Dr. ..	10,920.46	1,438.14	
Opera'g Joint Yards and Terminals—Cr. ..	12,218.65	Cr. 3,273.22	
Opera'g Joint Tracks and Facilities—Dr. ..	385.11	79.63	
Opera'g Joint Tracks and Facilities—Cr. ..	3,469.72	Cr. 305.31	
Total .....	\$414,357.71		50,427.69

## GENERAL

Salaries and Expenses of General Officers .....	\$ 18,474.28	\$ 2,227.98
Salaries and Exp's of Clerks and Attend's. ....	42,502.19	4,687.51
General Office Supplies and Expenses .....	898.59	366.15
Law Expenses .....	5,271.16	531.78
Insurance .....	238.17	112.87
Pensions .....	320.79	
Stationery and Printing .....	5,770.33	3,230.76
Other Expenses .....	15,523.46	5,104.55
Total .....	\$ 88,998.97	\$ 16,204.08

## SUMMARY

	Amount	Increase	Decrease
Maintenance of Ways and Structures .....	\$ 399,152.55	\$120,626.70	
Maintenance of Equipment .....	214,205.34	5,256.48	
Traffic .....	16,101.79	6,086.19	
Transportation .....	414,357.71		50,427.69
General .....	88,998.97	16,204.08	
Total Operating Expenses .....	\$1,132,816.36	\$ 97,745.76	

TABLE G

## DETROIT AND MACKINAC RAILWAY COMPANY

STATEMENT OF MILEAGE, DECEMBER 31, 1947

## MAIN LINE

North Bay City to Cheboygan .....	195.10
One-half Undivided Ownership—Foss to North Bay City .....	.13

## BRANCHES

Omer to AuGres .....	7.95
Alabaster Junction to Alabaster .....	4.18
Hillman Junction to Emerson .....	10.38
Rogers City Junction to Rogers City .....	14.33
<hr/>	
Total .....	36.84
Total Main Line and Branches .....	232.07
Yard Tracks and Sidings .....	53.82
<hr/>	
Total, all Tracks (miles) .....	285.89

TABLE H

## DETROIT AND MACKINAC RAILWAY COMPANY

## CLASSIFICATION OF FREIGHT TONNAGE

	1946 Tons	Per Cent	1947 Tons	Per Cent
<i>Products of Agriculture:</i>				
Grain .....	6,464	.7	7,597	.6
Flour .....	3,483	.3	3,053	.3
Other Mill Products .....	191		263	
Hay and Straw .....	3,885	.4	1,842	.2
Potatoes .....	23,516	2.3	15,540	1.3
Fruits and Vegetables .....	6,289	.6	6,892	.6
Sugar Beets .....	6,480	.7	3,704	.3
Other Products of Agriculture .....	1,684	.2	420	
<hr/>				
Totals .....	51,992	5.2	39,311	3.3

TABLE H—(Continued)

	1946 Tons	Per Cent	1947 Tons	Per Cent
<i>Animals and Products:</i>				
Livestock .....	1,383	.1	1,302	.1
Wool .....	165		105	
Hides and Leather .....	5,223	.5	4,906	.4
Other Animals and Products .....	972	.1	1,961	.2
<b>Totals .....</b>	<b>7,743</b>	<b>0.7</b>	<b>8,274</b>	<b>0.7</b>
<i>Products of Mines:</i>				
Anthracite Coal .....	784		655	.1
Bituminous Coal .....	50,799	5.1	43,250	3.6
Coke .....	2,634	.2	2,125	.2
Clay, Gravel, Sand and Stone .....	436,709	44.0	598,284	50.6
Other Products of Mines .....	2,428	.2	2,480	.2
<b>Totals .....</b>	<b>493,354</b>	<b>49.5</b>	<b>646,794</b>	<b>54.7</b>
<i>Products of Forests:</i>				
Lumber, Shingles and Lath .....	18,037	1.8	19,902	1.7
Pulp Wood .....	54,849	5.5	38,572	3.3
Other Products of Forests .....	5,819	.5	8,297	.7
<b>Totals .....</b>	<b>78,705</b>	<b>7.8</b>	<b>66,771</b>	<b>5.7</b>
<i>Manufacturers and Miscellaneous:</i>				
Refined Petroleum and its Products ..	41,690	4.3	41,503	3.5
Sugar .....	334		440	
Rails and Fastenings .....	120		476	
Bar and Sheet Iron, Structural Iron, and Iron Pipe .....	13,666	1.4	20,396	1.7
Castings, Machinery and Boilers ..	5,874	.5	7,731	.7
Cement .....	19,911	2.0	52,704	4.5
Brick and Artificial Stone .....	4,933	.5	3,896	.3
Lime and Plaster .....	46,921	4.7	42,405	3.6
Building Paper and Prepared Roofing Material .....	4,275	.4	5,326	.5
Beverages .....	175		802	.1
Fertilizers (all kinds) .....	8,143	.8	6,787	.6
Newsprint and Printing Paper .....	27,602	2.9	29,847	2.5
Canned Goods (all canned food products) .....	781	.1	2,013	.2
Paper Bags and Wrapping Paper ..	1,063		1,088	.1
Paperboard, Pulpboard and Wallboard	9,731	1.0	101,684	8.6
Other Manufacturers and Miscellaneous .....	165,692	16.7	88,351	7.5
<b>Totals .....</b>	<b>219,646</b>	<b>33.7</b>	<b>405,449</b>	<b>34.4</b>
All L. C. L. Freight .....	15,209	1.5	14,780	1.2
<b>Grand Total, Carload and L. C. L. Traffic .....</b>	<b>997,914</b>	<b>100%</b>	<b>1,181,439</b>	<b>100%</b>

TABLE I

## DETROIT AND MACKINAC RAILWAY COMPANY

## FREIGHT STATISTICS

	1946	1947
Number tons revenue freight carried .....	997,914	1,181,439
Number tons non-revenue freight carried ..	23,797	23,882
Total number tons of freight carried .....	1,021,711	1,205,321
Number revenue tons carried one mile .....	85,235,000	105,342,000
Number all tons carried one mile .....	87,194,691	107,047,911
Number revenue tons carried one mile, per mile of road .....	373,837	462,026
Number tons all freight carried one mile, per mile of road .....	382,432	469,509
Average distance haul of one ton revenue freight (miles) .....	85.4	89.1
Average distance haul of one ton all freight (miles) .....	85.3	88.8
Total Freight Revenue .....	\$1,295,588	\$1,647,404
Average amount received for each ton of freight .....	1.2983	1.39
Average receipts, per ton, per mile .....	.01520	.01563
Freight revenue, per mile of road .....	\$ 5,682.40	\$ 7,224.82
Freight revenue, per train mile .....	9.36	11.98
Average number of revenue tons, per train mile .....	615.57	765
Average number of all tons, per train mile	629.72	778
Average number of all tons, per loaded car mile .....	33.3	37.7
Average number of cars, per train mile .....	31.0	31.5

## PASSENGER STATISTICS

Number of passengers carried .....	24,022	9,494
Number of passengers carried one mile .....	1,654,850	781,719
Number of passengers carried one mile, per mile of road .....	7,843	3,705
Average distance each passenger carried (miles) .....	68.89	82.3
Passenger revenue .....	\$ 38,441	\$ 21,166
Average amount received from each passenger .....	1.60	2.23
Average receipts, per passenger, per mile .....	.0232	.0271
Total passenger train earnings .....	\$ 88,364.	\$ 74,626.
Passenger earnings, per mile of road .....	418.79	353.68
Passenger earnings, per train mile .....	.63	.82
Average number of passengers, per train mile .....	11.9	9.6

## OPERATING STATISTICS

Gross revenue from operation .....	\$1,415,972.72	\$1,809,261.46
Gross revenue from operation, per mile of road .....	6,210.41	7,935.35
Operating expenses .....	1,035,070.60	1,132,816.36
Operating expenses, per mile of road .....	4,539.79	4,968.49
Net Operating Revenue .....	380,902.12	676,445.10
Net operating revenue, per mile of road .....	1,670.62	2,966.86
Ratio of expenses to earnings .....	73.1	62.6

TABLE J  
DETROIT AND MACKINAC RAILWAY COMPANY  
EQUIPMENT

*Locomotives:*

	1946	1947
Steam — Passenger .....	4	
Steam — Freight .....	8	4
Steam — Switching .....	1	
Diesel — Road Switchers .....	5	5
Diesel — Switching .....	1	1
Gasoline — Switching .....	1	1
<b>Totals .....</b>	<b>20</b>	<b>11</b>

*Passenger Cars:*

	3	4
Coaches .....	3	4
Cafe .....	1	1
Parlor .....	1	1
Gas Electric Combination Passenger,		
Baggage and Mail .....	2	2
Combination Passenger and Baggage .....	3	2
Combination Baggage and Mail .....	2	2
Baggage and Express Cars .....	7	7
Express Refrigerators .....	9	9
<b>Totals .....</b>	<b>28</b>	<b>28</b>

*Freight Cars:*

	26	214
Box .....	26	214
Flat .....	12	11
Coal Cars .....	22	71
Caboose Cars .....	8	8
Troop Sleepers .....		4
<b>Totals .....</b>	<b>68</b>	<b>308</b>

*In Company's Service:*

	1	1
Officers .....	1	1
Ballast .....	3	3
Derrick Cars .....	1	
Flangers .....	11	11
Jordon Spreader .....	1	1
Industrial Crane .....	1	1
Other Road Cars .....	30	26
<b>Totals .....</b>	<b>48</b>	<b>43</b>

*Summary:*

Total Number of Locomotives Owned .....	20	11
Total Number of Cars Owned .....	144	379

TABLE K

## DETROIT AND MACKINAC RAILWAY COMPANY

## STATEMENT OF TRACKS BUILT AND TAKEN UP DURING YEAR 1947

## TRACKS BUILT

Track Order	YARD TRACKS, SIDINGS, AND SPURS	Location	Feet
3187	Extend track 57 for Habitant Shops .....	Alpena	208
3220	Extend track 169 for E. P. Brady & Co. ....	Big Cut	2263
3222	Extend track 46A for E. P. Brady & Co. ....	Big Cut	24
3223	Build Crossover Track 169 A .....	Big Cut	248
3245	Lengthen Sundry AuGres Branch tracks .....		180
3249	Build open siding 3 A .....	AuGres	1382
			4305

## TRACKS TAKEN UP

Track Order	YARD TRACKS, SIDINGS, AND SPURS	Location	Feet
3212	Shorten track 179 .....	Onaway	1370
3229	Retire west switch end track 187 .....	Onaway	107
3257	Retire track 92 .....	Tawas Beach	610
3258	Retire track 168 .....	Bunton	419
3259	Retire track 171 .....	Millersburg	1040
3261	Retire tracks 40A, 241, 242A, 243, and 244 .....	Cheboygan	1075
3263	Retire track 1 .....	Liske	564
3288	Retire track O-A .....	Orchard	895
3290	Retire track 176 .....	Case	825
3311	Retire back end track 239 .....	Cheboygan	215
3316	Retire part of tracks 31 and 32 .....	North Bay City	59
3324	Retire East End track 5 .....	AuGres	213
3344	Retire balance track 16 .....	Tawas Shop	82
3357	Retire back end track 12 .....	Tawas Shop	69
3358	Retire part of turntable tracks .....	Alpena	822
			8365

## SUMMARY

Tracks taken up .....	8365 feet
Tracks built .....	4305 feet

Net Retirement 4060 feet, .769 miles





